COMMENT ON DRAFT ELIGIBLE SERVICES LIST FOR SCHOOLS AND LIBRARIES UNIVERSAL SERVICE MECHANISM CC Docket No. 02-6

Comment Date: August 10, 2007

The New York City Department of Education (NYCDOE) recommends that the Eligible Services List (ESL) for the 2008 – 2009 E-Rate Program be further modified concerning the priority status of "Basic Maintenance of Internal Connections."

Basic maintenance, as defined by the Schools and Libraries Division of USAC, "ensures the necessary and continued operation of eligible internal connection components at eligible locations." Without this maintenance service, "the connection would not function and serve its intended purpose..." There is no ambiguity that maintenance service is essential to the uninterrupted use of the Internet for both students and teachers in schools. While a school district may opt to request additional internal connection wiring or choose to delay that decision until the following funding year, it would be irresponsible for them to postpone basic maintenance. Therefore, the true fixed costs for reliable Internet connectivity include; telecommunication service, Internet access, and basic network maintenance.

The NYCDOE proposes that basic maintenance of internal connections be re-classified as a Priority I service that is supported each year. This, we believe, makes good sense for the following reasons.

- 1. The neediest schools now have existing building networks and need funding support to sustain optimal network connectivity. Due to operating budget constraints, many school districts purchase little or no basic maintenance on critical network equipment. Reliable E-Rate funding will protect the costly investment in equipment and ensure that students and teachers can have reliable access to the Internet.
- 2. The fact that Basic Maintenance of Internal Connections was placed in its own ESL category to protect it from the "2 in 5 year" funding rule is evidence that it is viewed as a required annual service like telecommunication and Internet services.
- 3. Better maintenance of equipment will result in the longer use of equipment and provide savings in unnecessarily early replacement costs. Providing Priority I discounts on basic maintenance will be an incentive for districts to purchase the service and keep expensive network equipment longer.
- 4. Districts will still be required to pay their share of basic maintenance as well as maintenance costs for ineligible, but necessary, equipment such as computers. However, knowing that a certain level of annual support can be expected will measurably improve district planning and budgeting.

We understand that applicants must be reasonable in their requests and that this proposed change in priority status may result in less funding for Priority II equipment and services. We also expect that requests for discounts on basic maintenance need to be carefully monitored for waste, fraud, and abuse. However, after 10 years of E-rate, it is logical and good practice to make those funding and priority adjustments that will best preserve the program's core goal of providing support for reliable Internet access for schools and libraries.